## STATE OF ILLINOIS SECRETARY OF STATE SECURITIES DEPARTMENT

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IN THE MATTER OF:	)	
LAVANCE CARSON and	)	
UNICORN COMMUNICATIONS, INC.	) No. 0900126	
their partners, members, officers and directors, agents,	Ý	
employees, affiliates, successors and assigns.	Ś	
	)	

## TEMPORARY ORDER OF PROHIBITION

TO RESPONDENTS: LaVance Carson and

Unicorn Communications, Inc. 1802 South Fernandez Avenue Arlington Heights, Illinois 60005

And

P.O. Box 277

Cotton Valley, Louisiana 71018

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, herein find:

- 1. Respondent LaVance Carson (hereinafter "Carson" or collectively with Unicorn, "Respondents") has last known addresses of 1802 South Fernandez Avenue, Arlington Heights, Illinois 60005 and P.O. Box 277, Cotton Valley, Louisiana 71018.
- 2. Respondent Unicorn Communications, Inc (hereinafter "Unicorn" or collectively with Carson "Respondents") is a business entity with last known addresses of 1802 South Fernandez Avenue, Arlington Heights, Illinois 60005 and P.O. Box 277, Cotton Valley, Louisiana 71018.
- 3. Respondent Carson is/was the president and controlling shareholder of Respondent Unicorn.

- 4. In January 2007 Respondent Carson solicited two Illinois residents, husband and wife, ("Investors") to loan Respondents a total of \$10,000.
- 5. Respondent Carson told the Investors that the loan proceeds would be used to engineer and construct a new radio tower north and east of Douglas, Arizona.
- 6. Respondent Carson assured the Investors that the loan was "risk free" and that repayment "is guaranteed by the company and me personally".
- 7. Respondents promised to "repay the funds to you within 60 days or less and I shall also provide you a reward/risk bonus of 25%..."
- 8. On January 30, 2007 the Investors wired the Respondents \$10,000 (Investment #1).
- 9. Respondents failed to repay the \$10,000 as promised, and instead solicited an additional \$10,000 loan from Investors.
- 10. On May 10, 2007 Respondents sent a letter to Investors which stated in pertinent part, "As an added reward for being late, I shall pay you before June 1, 2007, your original loan of US \$10,000 plus US \$2500 reward/risk previously promised plus an additional US \$2500 for being one month late, which is a total of US \$15,000."
- 11. Respondents' letter continued, "In addition, I have asked you for an additional US \$10,000 loan, which I shall pay you US \$2500 reward, which is a total of US \$12,500. When I repay both these (sic) loans I shall be sending you a cashier's check for US \$27,500..."
- 12. Investors wired the Respondents the additional \$10,000 on May 11, 2007.
- 13. Respondents failed to repay the Investors the \$27,500 total (two \$10,000 repayments, two \$2500 payments for "risk/reward", and one \$2500 late fee) as promised in Respondents' May 10, 2007 letter and, in fact, have paid no portion of the amount owed to the Investors.
- 14. The activities described above in paragraphs 4-12 constitute the offer and sale of promissory notes or investment contracts and are therefore securities as those terms are defined in Sections 2.1, 2.5 and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").

## FAILURE TO REGISTER SECURITIES

- 15. Section 5 of the Act provides, *inter alia* that all securities except those exempt under Section 3 or those offered and sold under Section 4 shall be registered either by coordination or by qualification prior to their offer or sale in the State of Illinois.
- 16. Respondents failed to file with the Secretary of State an application for registration of the securities described above as required by the Act and that as a result the securities were not registered pursuant to Section 5 of the Act prior to their offer and sale in the State of Illinois.
- 17. Section 12.A of the Act provides *inter alia* that it shall be a violation for any person to offer and sell any security except in accordance with the provisions of the Act.
- 18. Section 12.D of the Act provides *inter alia* that it shall be a violation for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
- 18. By virtue of the foregoing Respondents have violated Sections 12.A and 12.D of the Act.

## FRAUD IN THE SALE OF SECURITIES

- 19. Respondents failed and refused to notify the Investors of the risk that they may not be repaid as promised in the loan investment of January 2007 but instead told the Investors that there was "no risk" involved in the loan which was "guaranteed".
- 20. Section 12.F of the Act provides, *inter alia*, that it shall be a violation of the Act for any person, "to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof".
- 21. Section 12.G of the Act provides, *inter alia*, that it shall be a violation of the Act for any person, "to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading".
- 22. By virtue of the foregoing, Respondents violated Sections 12.F and 12.G of the Act and will violate them again if they make further offers, or if they make any sales of investment contracts, promissory notes or other securities described above in the State of Illinois.

- 23. The aforementioned findings are based upon credible evidence.
- 24. Section 11.F(2) of the Act provides, *inter alia*, that the Secretary of State may temporarily prohibit the offer or sale of securities by any person, without notice and prior hearing, if the Secretary of State shall deem it necessary to prevent an imminent violation of the Act or to prevent losses to investors that will occur as a result of prior violations of the Act.
- 25. The entry of this Temporary Order of Prohibition prohibiting Respondents LaVance Carson and Unicom Communications, Inc. or their partners, members, officers and directors, agents, affiliates, successors and employees, from offering or selling securities in the State of Illinois, is in the public interest and for the protection of the investing public and is consistent with the purposes intended by the provisions of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents LaVance Carson and Unicorn Communications, Inc., their partners, members, officers and directors, agents, employees, affiliates, successors and assigns are Temporarily Prohibited from offering or selling securities in or from this State until the further Order of the Secretary of State.

NOTICE is hereby given that Respondents may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 69 West Washington Street, Suite 1220, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date of entry of the Temporary Order of Prohibition. Upon receipt of a request for hearing, a hearing will be scheduled as soon as reasonably practicable. A request for hearing will not stop the effectiveness of this Temporary Order of Prohibition and will extend the effectiveness of this Temporary Order of Prohibition for sixty (60) days from the date the hearing request is received by the Department.

FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) CALENDAR DAYS AFTER ENTRY OF THIS TEMPORARY ORDER OF PROHIBITION SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND SHALL CONSTITUTE SUFFICIENT BASIS TO MAKE THIS TEMPORARY ORDER OF PROHIBITION FINAL.

Dated: This **Sked**ay of August 2009.

JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:

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